



City of Clarksville Internal Audit Department

**Promoting transparency,
accountability and improvement in
City of Clarksville government**

INTERNAL AUDIT



August 11, 2017

The Honorable Mayor Kim McMillan
Members of City Council
Audit Committee Members
One Public Square
Clarksville, Tennessee 37040

City Code Section 6-615(b) requires that Internal Audit submit an annual report to you, listing the completed audits and investigations. Below is a list of audits and investigations and other activities completed during FY 2017.

Completed Internal Audit Reports

Purchase Card Audit (Pcard)
Senior Management Expense Audit
Miscellaneous Agency Funding Audit
Non-audit Services—Purchasing Policy, Parks and Rec Gift Card Policy
Follow Up Assessments of various prior year audits

Ongoing Internal Audits in FY 18

Fleet Policy Audit
Sole Source Purchases Audit
Follow Up Assessments

Other Items Addressed by Internal Audit

Fiscal year 2017 was a successful and productive year for Internal Audit. The Internal Audit department received a perfect Peer Review result in the triennial Peer Review required by the Government Auditing Standards. A total of 3 audits, 2 non-audit services, and 4, newly implemented, follow up assessments were completed.

Six Fraud and Audit Hotline reports were received during the fiscal year 2017. All of the reports were researched. None of the reports resulted in legal action on the part of the City. In some cases, the reports led to improvements in City processes.

Internal Audit is also involved with the Finance Department's City-wide Internal Control and Risk Assessment project involving discussions of key risks and controls within each department. These discussions ultimately increase the effectiveness of internal control and related processes. Lastly, Internal Audit worked throughout the year to address inquiries from City employees related to compliance issues. These inquiries typically do not result in a written report.

Respectfully,

Rodney Wright, Director of Internal Audit



Reporting Structure

Internal Audit is organizationally situated within City government to achieve independence.

Citizens of Clarksville

Mayor

City Council

City Departments

Audit Committee

Internal Audit

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FY 2017 Audit Committee

The Clarksville Audit Committee is composed of four citizens and one City Council member. Members of the Audit Committee in 2016 included Wilbur Berry, Joel Wallace (City Council Member), Sonja Stewart, Joyce Norris, and Jerry Weatherspoon. The Chairman was Wilbur Berry and the Vice Chairman was Joel Wallace.

In January of 2017, Jeff Henley replaced Joel Wallace and Lynn Stokes replaced Sonja Stewart. Joyce Norris became the Chairman and Wilbur Berry became Vice Chairman.



Authority and Responsibility

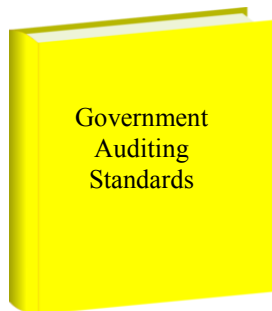
INTERNAL AUDIT

The Internal Audit Department...



Has unrestricted access to all City records, property and personnel.

Evaluates and reports on the City's system of internal controls, the quality of performance in achieving goals, and compliance with laws and regulations.



Conducts audits in accordance with Governmental Auditing Standards issued by the GAO;

Investigates reports submitted on the fraud hotline.

